From: Cole, Samantha [/O=EXCHANGELABS/OU=EXCHANGE ADMINISTRATIVE GROUP

(FYDIBOHF23SPDLT)/CN=RECIPIENTS/CN=49A7B2FA4F2E49DC89409A50359461AB-SCOLE4]

Sent: 3/8/2018 1:42:21 PM

To: Frauenfelder, Kate [/o=ExchangeLabs/ou=Exchange Administrative Group

(FYDIBOHF23SPDLT)/cn=Recipients/cn=e6eef9390d0d41ef869c475774429e2f-kfrauenfeld]

Subject: RE: Clip? AP: Documents reveal immense outreach on Atlantic Coast Pipeline

Yes please!

From: Frauenfelder, Kate

Sent: Thursday, March 8, 2018 1:41 PM **To:** Cole, Samantha <Samantha.Cole@nc.gov>

Subject: Clip? AP: Documents reveal immense outreach on Atlantic Coast Pipeline

Documents reveal immense outreach on Atlantic Coast Pipeline

By Sarah Rankin

RICHMOND, Va. (AP) — Civic leaders in town after town along the 600-mile (966-kilometer) route of a proposed natural gas project have posed for similar photographs, smiling and accepting poster-sized checks from the Atlantic Coast Pipeline.

Dominion Energy says it's being a good neighbor by handing out \$2 million in grants of around \$5,000 to \$10,000 in communities affected by its joint venture with fellow energy giants Duke Energy and Southern Co.

But critics say Dominion is buying support on the cheap to outflank opponents of the project, which would carry fracked natural gas from West Virginia into Virginia, North Carolina, and potentially further south at a cost that's swelling to as much as \$6.5 billion.

"It continues to astonish me how tiny these grants are and how ready people are to sell their souls," said Hope Taylor, executive director of Clean Water for North Carolina, a nonprofit fighting the pipeline.

Documents obtained by The Associated Press as well as interviews with company officials, supporters and opponents, show the considerable lengths Dominion has gone to as it builds support for its largest capital project. The company says its grant program is charity, and not part of what it calls its largest outreach program in Dominion history.

"We wanted to make sure our side is adequately told," said Bruce McKay, who as senior energy policy director for Richmond-based Dominion oversees the project's public affairs. He calls the outreach necessary in part because of the pipeline's complex, multijurisdictional nature and growing opposition to fossil fuel infrastructure.

Dominion is the leading percentage owner of the Atlantic Coast Pipeline, responsible for its construction and operation. So far, only some trees have been cleared, but the project aims to go online as early as late 2019, according a recent Securities and Exchange Commission filing.

Supporters say the pipeline will meet a critical need for natural gas — primarily for power generation — in a

region with constrained supplies. They say it will create jobs, boost economic development and support a shift from coal.

Opponents say it will harm the environment, and contend developers are overstating the need to build a project for which regulators will allow them to recoup a handsome return on their investments.

Even federal regulators were divided on whether it's in the public interest, voting 2-1 for approval in a rare split decision.

Publicly announced in September 2014, the pipeline quickly gained bipartisan backing. By 2015, one executive with a pipeline partner told South Carolina's regulators at a commission hearing that the public support was "about as good as you can get."

But Dominion was just getting started: It says its largest-ever outreach program has included 225,000 direct-mail pieces; community meetings; TV, radio and print ads; and social media use to reach more than 35,000 followers, according to an October presentation posted on Dominion Energy Transmission Inc.'s website.

McKay, who wouldn't reveal the program's overall cost, delivered some "lessons learned" in the presentation, including this advice: "Must create and maintain a political environment which allows permitting agencies to do their work," and, "If you want fair media coverage you need to pay for it."

McKay also denies any quid pro quo for campaign donations, saying Dominion simply gives to candidates who support sound energy policy.

The five Virginia lawmakers who signed a letter last year urging regulators to approve the pipeline have together taken more than \$1 million from Dominion for themselves or their PACs during their careers, according an AP accounting of records maintained by the nonpartisan Virginia Public Access Project.

Dominion also has worked closely with local officials and generated plenty of local media coverage through its Community Investment Program. In an interview, McKay insisted the grants to health foundations, land trusts, charities and other local groups shouldn't be considered lobbying.

But at least some communications have acknowledged the optics.

Gary Brown, economic development director of Northampton County, North Carolina, emailed a pipeline public-relations manager working on the grant program to suggest that a poster-size check should show three grants' combined total.

"As it is a show piece, how about a prop check written to 'Northampton County' for the total of all grants --- larger total -- bigger image -- greater perceived impact," Brown wrote in an email obtained by the Blue Ridge Environmental Defense League through a public-records request and provided to AP.

Brown, who testified in favor of the pipeline at public hearings, is board president of an automotive research center that received a \$1,680 grant, the progressive news outlet NC Policy Watch reported.

In at least three other instances, grants have gone to organizations run by or affiliated with pipeline boosters.

For example, after the Boys & Girls Club of Lumberton received a \$10,000 grant that helped repair hurricane

damage, Executive Director Ron Ross testified in support of the pipeline at a North Carolina Department of Environmental Quality meeting. He said his support had nothing to do with money.

"We didn't ask them if they wanted to give us money — they asked us," Ross said.

In one North Carolina county, Dominion representatives planned a helicopter tour of a northern Virginia compressor station for two commissioners, documents obtained by AP show. In another, the county manager and other "supporters" were invited to dinner at a swanky former plantation, emails show.

Other emails obtained through a public-records request show an administrator in Buckingham County, Virginia, frequently alerted a Dominion employee to news or complaints. In one, the administrator predicted an outspoken pipeline critic would "be a problem."

Another email says Dominion wrote a letter for a county supervisor to sign supporting the conversion of conservation easements — which are supposed to forever protect land from development — for use for the pipeline. The emails suggested printing it on Buckingham County letterhead for a Dominion worker to hand-deliver to the decision-making agency.

McKay says opposition from organized, well-funded environmental groups made all this outreach necessary.

David Pomerantz, executive director of the Energy and Policy Institute, said that's a false comparison.

He said: "What ties all of these stories together is, Dominion is trying to con people, trying to con their own customers and policymakers and legislators, because the arguments don't stand up on the merits."

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